

**Head of the Manufacturing Company Has Recently Extended His Plan of Giving the Benefits of the Profits of His Business Among Employees So as to Include His Customers—Says He Has Accumulated as Much Property as He Desires—Leclaire, Model Town Founded by Mr. Nelson, Is Primarily a City of Homes and of Individual Freedom—Flowers, and Trees and Lawns Abound in Village.**



MR NELSON'S RESIDENCE  
AT LECLAIRE

*SOME OF THE N. O. NELSON  
MANUFACTURING COMPANY'S SHOPS.*



*LAKE AND GROVE AT LE CLAIRE.*



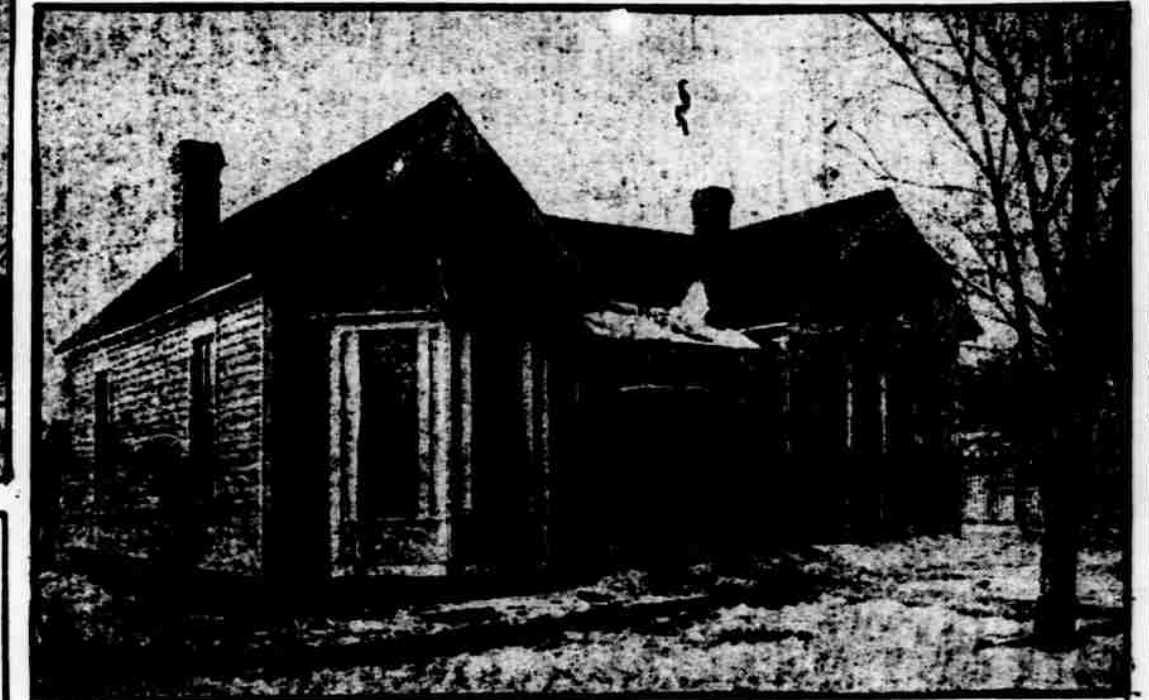
THE LODGE, FORMERLY USED AS A CLUB HOUSE.



**TYPICAL THREE ROOM COTTAGE  
AT LECLAIRE.**



*THE SCHOOL HOUSE.*



### A WORKMAN'S FIVE ROOM COTTAGE.

It was in 1886 that the idea that was a germ became uppermost in his mind. This was the year of the great railway strike on the Gould system. Mr. Nelson had always enjoyed the esteem and confidence of his employees because of his fairness,

"In addition to this, the entire profit, without deduction for interest, on my stock, which is about four-fifths of the whole, is paid in a small amount of preferred stock, which draws 6 per cent interest and nothing more, will be divided at the rate of four-fourths to the customers, three-fourths to employees, and three-fourths for benevolent and public purposes, to be administered by me.

"Each customer will receive the proportion of the profit. Each customer to the total gross profit. Gross profit is made the basis instead of purchases, because some goods bear much lower profit than others. These dividends will be paid in my stock of the company at a price on which the average net earnings of the next preceding three years would yield 6 per cent, or, in other words, the profit bears the ratio of 100 to 10 in price. In brief, it is simple, direct and businesslike, but, withal, unlike any other business system in these parts. It has appealed very forcibly to the customers of the firm, and they have not even slow in writing their gratification and endorsement of it to Mr. Nelson.

"From California, Los Angeles, San Francisco, San Diego, Mexico, Oregon, Idaho, Nevada, Arkansas and scores of other places have poured in letters approving the simplicity of the idea.

"Mr. Nelson's reasons for his unique action are, perhaps, even more interesting than the average person's. The explanation of the workings of the plan.

"I see nothing attractive in the idea of accumulating wealth, or in leaving vast piles of it when I die, or in endowing institutions," he says.

"I prefer to endow individuals, rather than institutions. I think it better not only to let employees and customers of the firm have the benefit of the profits in the form of stock, which they have helped to make, but, also, while I am living, to use that I already have for those purposes which I consider most needed.

"I have been the active head of my business for more than thirty years. I have accumulated as much property as I desire. That I have been made by the cooperation of my employees and the customers of the firm.

**PROFITS WILL INCREASE.**

"I think it reasonable that they should have the benefit of it now, and I believe this is the way to attain this end. As the business has been for several years, and is now and looks for the future, it should make a very few years to pass entirely free of partnership.

"By this mutual interest, it can be made more and more profitable, and this additional profit goes entirely to those who make it. In due time they are bound to become the owners of it. After they have laid me off.

"No change in policy will entail no change in the operation and methods of the company, nor in its management. The division of the profits will be made at the end of the year, and then the customers and the employees will be asked to appoint

and to verify the profit and dividend statement." These are the announced impelling motives of the Western antithesis of Carnegie, of one who does not consider it a disgrace to die rich, but believes it to be desirable and lacking in common sense to do so. Perhaps it is this latter quality of common sense that may be said to be Mr. Nelson's distinguishing characteristic. There is no doubt that he is a dreamer, a business idealist, a practical philosopher, an altruistic laborer in the commercial world, and a fact demonstrator and believer in fraternity and equality; but withal he has mixed common sense always with the practical application of his ideals. He has recognized the limitations there to the fulfillment of his dreams; he is content with the accomplishment of a considerable part of the whole dream, and he has had as a result something more lasting than a brilliant but short-lived experiment to show for the faith that was in him. He may be said to fill the terse description of him given by a friend and admirer: "A good-biased, calculating engineer." And his enthusiasm for the common interest, has been chiefly in the common people.

#### FOUNDING OF LECLAIRE.

It is the founding by Mr. Nelson of the town of Leclaire this quality was very apparent. Leclaire is a fine sample of the community builded on the cooperative idea. It is something more than Mr. Nelson's. Neither Bellamy nor Sir Thomas More furnished the inspiration for its upbuilding. It is the realization of a man who loves freedom, equality, civic order and civic order and desires the extension to his fellow-men the humbler walks of life of the advantages of a community of men under municipal conditions as it may be possible to attain. Leclaire was founded by Mr. Nelson in 1892. It is a ready-made town only in the sense that before a spadeful of earth was turned on its site or a house reared there was a definite purpose and plan in the mind of its founder for its laying out and extension. Otherwise there is no analogy between it and other "model" factory towns. Its very name betrays its origin and the dominating idea in its building. It was named for Jean Le Claire, French woodsman and painter, who, sixty years ago, produced the profit-sharing idea in his native land, which survives to this day in Paris. It implied the founding of Leclaire.

"I repeated Mr. Nelson after his  
Well, for one thing, it was started—  
matter of common sense. We needed  
factory. We chose the country  
the room and the air and the other  
advantages, and we laid it out eighteen  
miles from St. Louis, near enough,  
to have all the conveniences of the  
at our doors.  
We wanted to make it an ideal com-  
munity, according to our lights. With  
in mind, the town or community was  
out with four cardinal points in sight.  
The first was to make it as nearly ideal  
as possible for the work and the  
the second was with a thought  
for education and for culture. The  
people who would make its population.  
The third kept in mind the need for the  
creation of its people. The fourth point  
not to lose sight of the necessity and  
advantage of beauty."

A CITY OF HOMES.

Underlying all of these cardinal points  
the constant aim to have it always  
nearly a city of homes and of indus-  
trial freedom is liberal. The employees of  
firm's factory at the village are at lib-  
erty to buy homes in the little city on the  
liberal and easy terms. They are  
desired as residents. But they are neither  
desired, advised nor obliged to become resi-  
dents. They may live where they elect,  
and the time residence is not closed  
persons or families who do not work  
the Leclaire factories. They, too, will  
extended the same easy terms that are  
to factory workers. Of the 400 in-  
habitants of the town about 250 are fac-  
tory employees.

There are no restrictions upon the lots,  
except the prohibition that exists against  
establishing a nuisance or transgressing  
the established building line. There are  
city officials, no police force, no jail  
no incorporation of the village under  
municipal scheme.

In fact, the community is one without  
written or unwritten, save those of  
State of Illinois, and yet an arrest  
never has been made in the little city nor  
a drunken person ever been seen on  
streets. This latter fact is all the  
proof of the fact that there is no prohi-  
bition against liquor or its use in the  
community.

A partial application of Mr. Nelson's  
de-taxation view is furnished in the cir-  
cumstances that the profit accruing from  
sale of land is applied to maintain, im-  
prove and beautify the community. The  
proposed movement coming from the

the enhancement of land values is laid back in this way to the benefit of source whence it accrued.

The aim to make it as nearly ideal as possible for the work and the women it has been placed handy to two railroads and just outside the thrivestown of Edwardsville. Of its 125 acres there are two separate and distinct divisions: the factory, the other the residence district.

The former district comprises ten acres. In this tract are six one-story, red-brick factory buildings, with ample and uniform windows. Light is not one of the tabooed things of nature in the Leclaire factories. The railroad tracks intersect the factory tract.

There is a dividing line between the two districts. It is a high green hedge that shuts out the factories and their smoke from the residence district beyond. It does more than this. It is the dead line beyond which the authority and the mastership rule in the factories full to extend to freedom of the settlement of cottages and the residence part of the village.

WISERS AND SHRUBS PLENTIFUL

This hedge is pierced by a driveway which leads to the homes and public buildings of Leclaire. This pleasant street leads to the co-operative store of the village, the Pastime Club to a public parking place, beautiful by landscape effects and flowers and shrubs from the village green, from which also the yards of the cottagers are supplied free.

There is a public landscape gardener, who never lets the beauty of the city and maintaining the pretty of the village is like the working of the poet—it goes on forever.

Flowers and trees and lawns that stand on all sides in the village are evidence that he is kept at work planning and supplying.

In the parking, the road that leads from the village divides, one going the Schoolhouse to the right, its left branch being the public clubhouse and to cottages beyond. There are more houses opposite the schoolhouse, stretching to the street still further on, which connect the two parallel divisions of the street.

Most of the inhabitants of the village are home-owners. They may rent, buy or lease a house built according to their requirements, if they wish. But it is always owned that they not about acquiring their own homes rather than rent them.

It is not difficult to guess why this preference exists. The homes of the home-